

# National Milk Producers Federation

National Milk Producers Federation • 2101 Wilson Blvd., Arlington, VA 22201 • 703-243-6111 FAX 703-841-9328

Agri-Mark, Inc.  
Arkansas Dairy  
Cooperative Association

Producers, Inc.

California Dairies, Inc.

Cass-Clay  
Creamery, Inc.

Continental Dairy  
Products, Inc.

Cooperative Milk  
Producers Assn.

Dairy Farmers  
of America, Inc.

Dairymen's Marketing  
Cooperative, Inc.

Dairylea Cooperative Inc.

Ellsworth Cooperative  
Creamery

Farmers Cooperative  
Creamery

First District  
Association

Foremost Farms USA

Land O'Lakes, Inc.

Lone Star Milk  
Producers, Inc.

Manitowoc Milk  
Producers Coop.

MD & VA Milk  
Producers Cooperative  
Association, Inc.

Michigan Milk  
Producers Assn.

Mid-West Dairymen's  
Company

Niagara Milk  
Cooperative, Inc.

Northwest Dairy  
Association

Prairie Farms  
Dairy, Inc.

St. Albans Cooperative  
Creamery, Inc.

Scioto County Co-op  
Milk Producers' Assn.

Select Milk  
Producers, Inc.

Southeast Milk, Inc.

Swiss Valley Farms, Co.

Tillamook County  
Creamery Assn.

United Dairymen  
of Arizona

Upland Farms  
Cooperative Inc.

Zia Milk Producers

May 20, 2004

Angela C. Snyder, Office of the Deputy Administrator  
USDA/AMS/Poultry Programs  
Stop 0256, Room 3932-S  
14<sup>th</sup> & Independence Avenue, SW  
Washington, DC 20250-0256

Re: Proposed Rule to Exempt Organic Producers From Assessment by  
Research and Promotion Programs [Docket No. PY-02-006]

Dear Ms. Snyder,

As the voice of three quarters of America's 70,000 commercial dairy farmers, through our 32 member cooperative associations, the **National Milk Producers Federation endorses vigorous enforcement of the approach that the Agricultural Marketing Service (AMS) has taken to the Congressionally-mandated exemption of only purely "organic"-certified producers and processors from the research and promotion program.**

The Federation is opposed in principle to the exclusion of "organic" dairy producers or processors from assessments for generic research and promotion programs. Their milk is generally indistinguishable from all other U.S. milk. (We have been informed by staff at the National Organic Program [NOP] that "organic" certification is "not about the product, but about a way of doing things.") Their "organic" designation is only one characteristic among many others that organic milk shares with milk generally; so do they share equally in the benefits of the expansion of existing dairy markets. However, we believe that the Farm Security and Rural Investment Act of 2002 requires the Department to exempt purely organic producers and processors from paying assessments.

We urge the Department to define this exemption as narrowly as was intended by Congress. That is, we support the proposed requirement that each exempted producer or processor must demonstrate through NOP certification that its entire business is 100% organic. We believe that the proposed rule demands USDA "organic" certification for all products of the firm and all products sold by the firm.

received  
5-20-04

Jerry Kozak, President/Chief Executive Officer

James P. (Tom) Camerlo, Chairman

[www.nmpf.org](http://www.nmpf.org)

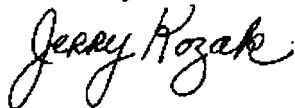
For milk producers, this should include any milk, animals, crops, hay, wood, manure, or other products produced or sold by the operation, including any products sold at an associated store or farm stand. Similarly, to be exempted from the processor assessment, a firm should produce or sell no products not certified "organic", including nondairy products, products produced on contract, or products sold in an associated retail store or commissary.

We also ask that the final rule provide for revoking the exemption when its requirements are no longer satisfied, and that it specify an obligation to make available all records necessary to verify compliance.

Finally, in the rule's administration, we urge Dairy Programs staff to engage in active cooperation with the National Organic Program and to undertake regular audits of exempted milk producers or processors to ensure their full compliance with all requirements of this rule.

In summary, we support the proposed rule as setting the appropriately strict limits on the statutory exemption allowed to purely organic producers and processors; we urge its active enforcement by the Dairy Programs office; and we ask that clear provision be made for audit and speedy revocation when requirements are not met. Please contact Roger Cryan on our staff if you have any questions about this position.

Sincerely,

A handwritten signature in black ink, appearing to read "Jerome J. Kozak". The signature is fluid and cursive, with the first name "Jerome" being more prominent.

Jerome J. Kozak  
President and Chief Executive Officer

cc: AJ Yates, Administrator

John Mengel, Acting Deputy Administrator, Dairy Programs

David Jamison, Chief Promotion and Research Branch, Dairy Programs